

Attachment A: CDBG Eligible and Ineligible Activities

Eligible CDBG Activities

1. Acquisition of Real Property
2. Disposition
3. Public Facilities and Improvements
4. Clearance and Remediation
- 5. Public Services***
- 6. Interim Assistance***
7. Relocation
8. Loss of Rental Income
9. Housing Services
10. Privately-Owned Utilities
11. Rehabilitation and preservation
12. Construction of Housing
13. Code Enforcement
- 14. Special Economic Development Activities***
- 15. Microenterprise Assistance***
16. Special Activities by Community-Based Development Organizations
17. Homeownership Assistance
18. Planning and Capacity Building
- 19. Program Administration Costs***
20. Miscellaneous Other Activities

*These activities are currently being considered in Milpitas.

Ineligible CDBG Activities

1. **Buildings or portions thereof, used for the general conduct of government may not be assisted with CDBG funds.** This does not include, however, the removal of architectural barriers involving any such building, which may be assisted under the category of Public Facilities and Improvements.
2. **General government expenses.** Expenses required to carry out the regular responsibilities of the unit of general local government are not eligible for assistance under this part.
3. **Political activities.** CDBG funds may not be used to finance the use of facilities or equipment for political purposes or to engage in other partisan political activities, such as candidate forums, voter transportation, or voter registration.
4. **Purchase of equipment.** The purchase of equipment with CDBG funds is generally ineligible – construction equipment, fire protection equipment, furnishings and personal property.
5. **Operating and maintenance expenses.** The general rule is that any expense associated with repairing, operating, or maintaining public facilities, improvements, and services is ineligible.
6. **New housing construction.**
7. **Income payments.** The general rule is that CDBG funds may not be used for income payments.

Adapted from HUD booklet, Community Development Block Grant Program; A guide to National Objectives & Eligible Activities for Entitlement Communities.